uced thanks

st quality
l legibility
th the

are filmed
ding on
ed impres-
ate. All
ing on the
impres-
a printed

fiche
"CON-
END"),

ed at
ge to be
imed
, left to
s as
ate the

L'exemplaire filmé fut reproduit grâce à la générosité de:

Musée du Château Ramezay,
Montréal

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole ⟶ signifie "A SUIVRE", le symbole ▽ signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

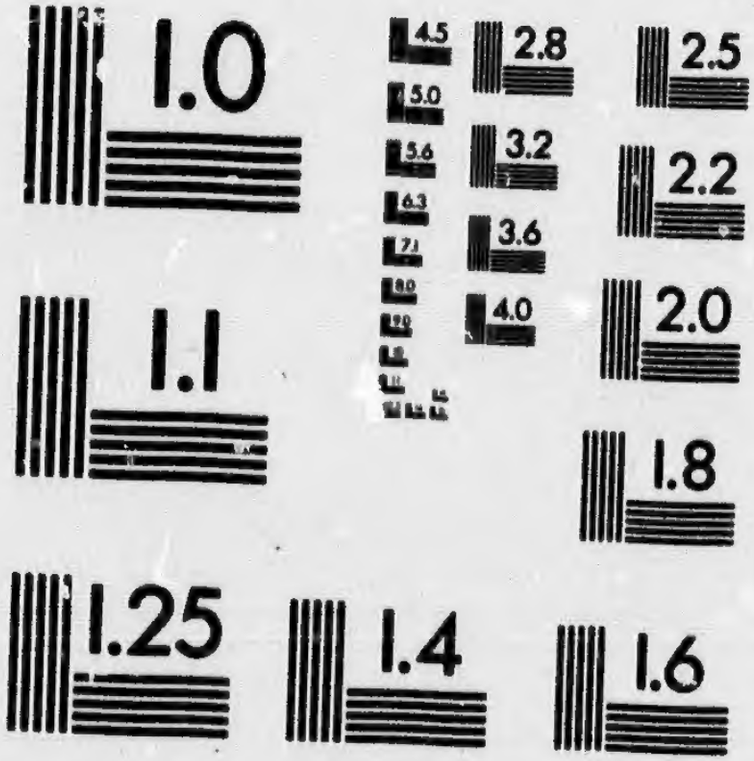
	3

1
2
3

1	2	3
4	5	6

MICROCOPY RESOLUTION TEST CHART

(ANSI and ISO TEST CHART No. 2)



STATEMEN

MADE BY

W. WORKMAN

AT THE

ANNUAL GENERAL MEETING OF

OF THE

Champlain & St. Lawrence

HELD ON

MONDAY THE 15TH JANU

MONTREAL:

PRINTED BY J. STARKE & CO. ST. FRANCO

1855.

STATEMENTS

MADE BY

WORKMAN, ESQ.

AT THE

ENERAL MEETING OF SHAREHOLDERS

OF THE

n & St. Lawrence Railroad Co.

HELD ON

NDAY THE 15TH JANUARY, 1855.

MONTREAL:

. STARKE & CO. ST. FRANCOIS XAVIER STREET,

1855.

STATEMENTS.

The Annual Meeting of the Champlain and St. Lawrence Railroad Company, was held at the Company's Office on Monday the 15th instant.

Judge Jarvis was called to the chair, and Messrs. B. Hutchins and W. E. Phillips were requested to act as Scrutineers.

The Chairman's Report was then read to the Meeting.

Thomas Ryan, Esq. complained that the Report was not explicit enough, and was wanting in details as to the fiscal affairs of the Company, and he stated, that in his opinion, it should be amended in this respect.

Judge Gale also made a few observations to the same effect.

Mr. W. Workman stated in reply, that in the regular course of proceeding, the Reports of the "Committee of Investigation" would be read, and as these Reports contained extensive information on the points alluded to, it was considered unnecessary to repeat these statements in the Report of the Chairman.

He had only recently had a perusal of these Reports, and although he differed from many, of the conclusions they arrived at, still they had been got up with much industry, and furnished in a clear manner, a great deal of information.

The conclusions, however, arrived at in these Investigation Reports, were in his opinion erroneous, and he was very sorry he had been unable to get a quiet perusal of them until this morning—as when they were first communicated to the Committee, it was generally thought that matters were much worse than he could see just grounds for now believing, and the stock of the Company had suffered accordingly in the Market.

The "Committee of Investigation" in their labours seemed to forget, that in the consideration of the subject before them they must proceed on either of two grounds,—either that of a perfect amalgamation of the two Companies (the Champlain

and St. Lawrence and the Montreal and New York) in strict accordance with the articles of agreement, solemnly and deliberately entered into, or a complete abandonment of the whole terms and conditions of that contract. A middle course, a course which would permit each Company to seize upon and avail itself of the points most favourable to one or the other would never do, the whole amalgamation contract must break down or be observed to the letter.

In the calculation of the value of the stock of the Champlain and St. Lawrence Company, for instance, the Committee of Investigation had reckoned a full dividend upon the new and unpaid shares the same as the old, but they had forgotten to give credit for the instalment coming in from this same source of 10 per cent per annum, and amounting at present to some £25,000, due to the Champlain and St. Lawrence Company, they had also placed a large mortgage on valuable Real Estate owned by the Company, among the Company's debts, without giving credit for the Property on the opposite side, and as this Property was not required and could be sold by the Company and would readily bring the amount of the Mortgage, of course it was a good asset.

It is also stated in the Investigation Report, that the Books of the Champlain and St. Lawrence Company shewed 368 shares more stock than the actual stock held by the Company, and on the other hand the Books of the Montreal and New York Company exhibit 37 shares less than the actual stock of that Company, and "both differences are in favor of the Montreal "and New York Railroad Company," the Investigation Report says.—It was hardly necessary to point out that this conclusion was erroneous, as both differences amounting to over £20,000, were in favor of the Champlain and St. Lawrence Railroad Company.

Again it was stated in the Investigation Report, that in order to cover Interest on the Bonds and debts of the two Companies, and pay a dividend to the stockholders, the gross receipts of the two Companies would require to be £400 per day.

That this assertion was erroneous, it was only necessary to point to the following figures :—

Expenses of Champlain and St. Lawrence Railroad Company say.....	£28,000
Expenses of the Montreal and New York Company...	12,000
Interest on the entire debts of the two Companies...	26,862
Dividend on the stock of the two Companies, reckoning even a full dividend upon the new or unpaid stock of the Champlain & St. L. Company	24,289
	£91,151

This sum divided by 313, say, the average working days in the year, gives per day £291 only, in place of £400.

The Presiding Chairman of the Meeting at which the "Committee of Investigation" submitted their joint Report of the affairs of the two companies, stated, that from the conclusions they had arrived at it was too plain that the Stock of the two Companies had been entirely submerged, and was valueless.

It was quite clear to him, Mr. Workman, that this could not be the case, as would be seen from the following general statement or synopsis from the Books of the two Companies.

CHAMPLAIN & ST. LAWRENCE CO.

Bonds.....	£221,661	Interest on same...	£14,299
Bills and Notes....	41,207	Do.	2,472
Over due accounts..	5,254	Do.	315
Gross Debt.....	£268,122		£17,086

STOCK.

Old paid up, $2565\frac{9}{10}$ shares,	£128,295	at 6 pr. ct.	9,785
New or paid in part, 2245 shrs.	34,795		
Paid Stock.....	£163,090		
Add extra to place new and old stock at same dividend.....			4,644
			£31,515

Brought Forward.....	£31,515
Add also dividend of £3 per share on 1176 shares New Stock subscribed by Montreal and New York Company, and not paid up.....	3,428
	£34,943

MONTREAL AND NEW YORK COMPANY.

Mortgage Bonds,....	£50,000	Interest,	3,770	
Bills and Notes,.....	87,446	"	5,246	
Open Accounts	13,000	"	780	
	£150,446		£9,796	
Stock, 2144 shares,..	107,207 at 6 pr. ct.		6,432	16,228
				£51,171

Amount required to pay interest on Bonds and Debts, and a dividend to Stockholders, reckoning even a full dividend of £3 per share, on the Champlain and St. Lawrence New Stock, although not paid up in full.

It would be seen from the above that to meet the entire budget of the two Companies, to provide interest on their debts, and a dividend on their stock, and paying too, £3 per share on a large number of new shares of the Champlain and St. Lawrence Co. not paid up, the sum of £51,171 would be required.

How was this to be forthcoming.

In the first place we had due from the 1631 shares of New Stock originally subscribed, the annual and fourth instalment of..... £8,155

We have also 4 instalments of £5,880 due on the 1176 shares New Stock subscribed by the Montreal and New York Co. 23,520

	£31,675
Less paid on the Montreal and New York New Stock,	6,200
	£25,475

Brought Forward.....		£25,475
The gross receipts of the Champlain and St. Lawrence Railroad Company during the past year, under all the disadvantages of the Cholera, and entire derangement of travel and commerce of the country, amount in round numbers to £40,000, and under ordinary circumstances, and a fair business for the coming year, it may, under the amalgamation of the two roads, be safely put down at.....	£55,000	
The expenses it was believed would not exceed.....	25,000	
Balance net on business..		£30,000
Leaving a balance to the good after paying all interest and dividends of		4,525
The Montreal and New York road will pay expenses and leave, under the most moderate estimate.....,		6,000
		£10,525

It would thus be seen that so far from the Stock being worthless, the above very moderate estimate of the prospects of business, the income of the Road from various sources, covered all interest on Bonds and Debts, and a dividend of 6 per cent on the entire Stock, as well the unpaid, paid in part, as the entire paid up Stock, which on the former or new Stock of the Champlain Company would be equivalent to 15 per cent per annum return, and after all, there appeared an estimated ballance to the good of £10,500.

These were the prospects under the proper working of the amalgamation, which to be worked at all, must be carried out in full integrity, or abandoned entirely ;—and if the latter, and the Champlain & St. Lawrence Road should again go on in its own behalf as before, the prospects were not so black as to warrant the conclusion of the total extinction of the Stock, as represented by the Investigation Committee, as may be seen from the following :—

As above stated, the interest on the Bonds and debts amounts

to.....	£17,086	
A full dividend on the Stock, new and old, 6 per cent on old, and £3 per share on new, say 2245 shares new.....	14,429	31,515
Deduct balance due by the Montreal & New York Company in event of separation.....	10,000	
Instalment on New Stock.....	8,155	18,155
		£13,360
Gross earning of Champlain Road past year, under effect of Cholera and deranged trade and travel.....	40,000	
Expenses estimated at.....	25,000	15,000
Over.....		£1640

It would thus be seen from the preceeding figures, that supposing the consequence of the breaking down of the amalgamation agreement, should not be more injurious the coming year than the Cholera was the past year, and our gross receipts be kept to the same figure, we can still pay all interest on our Bonds and debts and a dividend to our stockholders of 6 per cent on the old stock, and equal to 20 per cent on the new, Mr. Workman could therefore see no just grounds for the conclusions arrived at in the Reports of the Committee of Investigation.

Mr. T. Ryan observed that he entirely dissented from the data laid down by Mr. Workman, in as much as that Gentleman, in his calculation, had diverted to other purposes the payments on the new stock, subscribed by the Montreal and New York Company, which properly belonged to the Bank of Montreal, and were so pledged.

Mr. Allan made some remarks to the same purport.

Mr. Workman replied, that the payments referred to might go to the Montreal Bank if all the conditions of the amalgamation were fulfilled, but they had forgotten, that in his last calculation he had supposed the Champlain Road to be running alone, in which case the Montreal Bank had nothing to do with them, and indeed in any case it was as broad as it was long, for if paid to the Montreal Bank, they would only extinguish so much debt, stop a certain amount of Interest against the Company, and thus raise the stock in value as much really as if the money had gone in paying a dividend.

Montreal, January, 1855.